

March 29, 1983

LB 505, 120

SENATOR BEUTLER: Okay, LB 120 is advanced to E & R Initial. Mr. Clerk, do you have anything to read in?

CLERK: No, sir.

SENATOR BEUTLER: Are you ready to take up LB 505?

CLERK: Yes, sir. Mr. President, LB 505 was a bill introduced by Senator Schmit. (Read title.) The bill was read on January 19th of this year. It was referred to the Ag and Environment Committee for hearing. The bill was advanced to General File, Mr. President.

SENATOR BEUTLER: As I understand it, Senator Schmit, there are no committee amendments but there are three amendments to the bill, so it would seem logical for you to explain the bill and then we will go to the amendments.

SENATOR SCHMIT: Mr. President and members of the Legislature, LB 505 is a bill which I have introduced which gives to the various commodity boards the authority if they so choose to use it, to use some of the checkoff funds for the purpose of providing for grants or for aiding in the construction of grain alcohol plants. I do not need to remind any of you of my long interest in this area. The Legislature has for many years supported the program. Only several days ago we advanced a bill which provided additional funding for the Gasohol Committee, the only one of its kind in the entire United States. As I have told you also many times, the demand for alcohol fuels has grown and has grown dramatically in the past several years and particularly in the past year. I need not also remind you of the problem we have at the present time with the surplus of commodities which has plagued the marketplace and which has resulted in what I consider to be perhaps not the best kind of farm program, the now in place Payment in Kind program. It is my belief and I think the time will prove us to be right that the time will come when we will wish we had expended those funds and other funds rather for the development of new uses for these commodities rather than to discourage the production of them. This bill if you adopt it with the amendments as I have drafted them, will provide that the commodity boards may accentuate the research and development of grain alcohol fuels. There have been some differences of opinion in the past as to whether or not the commodity boards did have that authority. The Attorney General has from time to time been requested for opinions. It was his opinion that perhaps the Legislature